



Your Benefits Under the IMRF

Revised
Elected County
Official Plan
Tier 2

Illinois Municipal Retirement Fund

Helping you build a secure retirement

2011

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What is the Revised Elected County Official Plan?

The Revised IMRF Elected County Official plan (ECO) is an alternative benefit plan for elected county officials providing enhanced disability, retirement, and death benefits.

Second Tier of Benefits

Public Act 96-0889 created a second tier for IMRF's Revised Elected County Official plan. Effective January 1, 2011, IMRF will assign a benefit "tier" to a member when he or she is enrolled in IMRF. The tier is determined by the member's *first* IMRF participation date.

If you first participated in IMRF:

- **On or after January 1, 2011***, you participate in Revised ECO Tier 2. Your benefits are described in this booklet.
- **Before January 1, 2011**, you participate in Revised ECO Tier 1. Please refer to IMRF's Revised ECO Tier 1 booklet.

***Exception:** If you participated in IMRF or in a reciprocal retirement system (except the Judges' Retirement System and the General Assembly Retirement System) before January 1, 2011, and enrolled in IMRF after January 1, 2011, you will participate in Tier 1. Please refer to the ECO Tier 1 benefit booklet.

Members' rights and obligations are governed by Article 7 of the Illinois Pension Code. The salary considered for pension purposes and the benefits paid cannot exceed the limits set by the IRC and the Illinois Pension Code (in Sections 1-116, 1-117, 1-160, 7-224 of the Illinois Pension Code).

This booklet is designed to provide information about Tier 2 of the ECO plan to both members and employers. Please note the text that appears on the outside edges of the pages.

Elected officials participation in IMRF

Elected officials have the option of participating in IMRF’s Regular plan if the elected official’s position qualifies for IMRF coverage (i.e., the position held requires the elected official to work a number of hours per year that meets or exceeds the IMRF hourly standard, which is either 600 or 1,000 hours as chosen by the employer’s governing body).

If an elected official wishes to participate in IMRF, he or she completes Form 6.21, “Election to Participate for Qualifying Position.” The election to participate is irrevocable for that office.

Elected *county* officials have the option of participating in the IMRF Elected County Official (ECO) plan. If an elected county official is enrolled in IMRF on or after January 1, 2011 (*see page 1 for exception*) and joins ECO, the official participates in Tier 2 of the Revised ECO program described in this booklet.

Eligibility for the ECO plan

If an elected county official wishes to participate in the ECO plan:

- The county board must pass a resolution adopting the IMRF ECO plan.
- The elected county official must be holding elected office on the date he or she elects to participate in the ECO plan.
- Elected offices include, but are not limited to:
 - County Clerk
 - Assessor (if elected)
 - Members of County Board
 - Treasurer
 - Sheriff
 - Persons appointed to fill a vacancy in an office normally filled by county wide election
 - Coroner
 - State’s Attorney
 - Recorder
 - Auditor
 - Circuit Court Clerk

- Participation in the ECO plan is not automatic. The elected county official must elect to participate in writing when he or she begins participation in IMRF or anytime during the term of office by completing IMRF Form 6.21B, “Election by Elected County Official to Participate in the Revised Elected County Official Plan.”
- Participation in the ECO plan expires at the end of an elected county official’s current term of office. **If re-elected, an official must complete a new Form 6.21B at the beginning of his or her new term to remain in the Revised ECO plan.**
- If an elected county official participates in the Revised ECO plan, but then leaves office (e.g., resigns or completes the term of office), he or she does not remain in the ECO plan unless he or she moves to a new elected county office in a county that has adopted the ECO plan, and the elected county official completes a Form 6.21B.

ECO Employer rates

- If a county has members participating in both the Original ECO, Revised ECO Tier 1 and/or Revised ECO Tier 2 plans, a single employer rate will be established encompassing all plans.
- Employer costs for Revised ECO are charged the same way Regular and SLEP costs are charged to employers.
 - Under Revised ECO, a county is responsible only for costs of benefits payable to the member for service earned with that county.
 - If a Revised ECO plan member stops working for the county but later participates in ECO through another county:
 1. The member’s “first” ECO county is responsible only for costs of benefits the member earned while participating in ECO through that county.
 2. The member’s “second” ECO county is responsible only for costs of benefits the member earned while participating in ECO through the “second” county.

Rescinding the Elected County Official Plan

Once the ECO plan has been adopted, the county may rescind the resolution. However, the county’s current ECO members would remain grandfathered in the ECO plan.

Steps for an Elected County Official to Participate in the IMRF ECO Plan

Step 1

Be sure your county board has passed the “Resolution to Adopt Alternative Benefit Program for County Officers” and has filed it with IMRF.

Step 2

Check with the county’s IMRF Authorized Agent to confirm the elected official position you hold qualifies for IMRF participation and your employer has adopted and filed with IMRF a resolution finding your position meets the hourly standard (Form 6.64).

Step 3

Ask your employer to file with IMRF: (if not done so previously)

- Notice of Enrollment in IMRF
- Election to Participate for Qualifying Position - Form 6.21

Step 4

Once you have decided to join ECO, file with IMRF:

- Election to Participate in ECO Plan - Form 6.21B
- The 7.50% tax-deferred deduction should begin the first of the month following the month you enroll in ECO.

Step 5

If you wish to buy elected official time during which you did not participate in IMRF, file with IMRF:

- Application for Retroactive Service Credit, Form 6.04

If you revoke your ECO participation

If at any time, you wish to **revoke** your ECO participation, you may do so by filing “Revocation of Election to Participate in ECO Plan,” Form 6.28. **Note:** You will return to the Regular Tier 2 or SLEP plan (as appropriate) as long as you hold the same office.

If you choose to stop participating in ECO, the decision is irrevocable. You may not re-enroll in the plan at a later date, even if you are elected to another county office.

What do you contribute to IMRF

You do not make any contributions on wages above the Tier 2 wage cap. In 2011, the cap is \$106,800. Read more about wage caps on page 11. Member contribution rates for IMRF plans are as follows:

- 7.50% of earnings for ECO members (including SLEP members)
 - 6.75% for the member’s ECO pension
 - 0.75% for a survivor’s pension
- 7.50% of earnings for SLEP members
 - 6.75% for the member’s SLEP pension
 - 0.75% for a surviving spouse pension
- 4.50% of earnings for Regular plan members
 - 3.75% for the member’s Regular plan pension
 - 0.75% for a surviving spouse pension

You **cannot borrow from your member contributions** or use them as collateral for a loan. Your contributions cannot be garnished or seized by any creditor. As long as your contributions remain on deposit with IMRF, they are protected from your creditors.

If you leave office without eight years of ECO service in the same elected county position with the same county (you do not qualify for an ECO pension), your additional ECO contributions would be refunded with interest, either when you retire (if you earn at least 10 years of any combination of service credit) or when you apply for a separation refund. If you retire, you can receive the refund as a lump sum or monthly annuity.

Read more about retirement refunds on page 9.

Voluntary Additional Contributions

You may contribute up to an additional 10% of your earnings (up to the wage cap) to the voluntary additional contribution (VAC) program. At retirement, your VAC may be taken as a lump sum or as an additional monthly pension.

VAC are after tax—they are not tax-deferred like usual IMRF member contributions. Some members may be better served by contributing a portion of their salary on a pre-tax (tax-deferred) basis to their employer's deferred compensation plan, e.g., 457 or 403(b).

Earning interest on your VAC

Unlike VAC themselves, the interest credited to your VAC account is tax-deferred. The rate of interest paid is currently 7.50%. If the interest rate changes, IMRF will not notify VAC participants of the change.

VAC interest is credited differently from a traditional savings account:

- A traditional savings account credits interest on the current amount in the account.
- **IMRF credits interest at the end of the year on the beginning of the year amount.** Therefore, you will not earn any interest the first year you begin making VAC.

Although you can apply for a refund of your voluntary additional contributions at any time, IMRF discourages such refunds. **If you are seeking a short-term savings vehicle, making voluntary additional contributions may not be the right choice.**

To begin making VAC, complete IMRF Form 6.30, "Election to Make Voluntary Additional Contributions," available from www.imrf.org. Deductions begin as soon as IMRF receives your application and your employer begins reporting your VAC to IMRF.

Refunds of member contributions

If you apply for a separation refund of your IMRF contributions, like any other refund of member contributions paid when a member stops participating in IMRF and stops working for his or her IMRF employer, separation refunds under the ECO plan are payable without interest.

How to apply for a refund

Submit IMRF Form 5.10, “Application for Separation Refund.” **You are not eligible for a refund if you stop participating in IMRF but continue working for the same employer.**

When you take a refund of your IMRF contributions, you forfeit—give up—all of your IMRF benefits. You will not be eligible for any retirement or disability benefit, and your beneficiary(ies) will not be entitled to any death benefit.

Federal withholding on all refunds

IMRF is required by federal law to withhold 20% of the taxable portion of your refund unless you elect to have the taxable portion directly rolled over into an IRA or other qualified retirement plan.

Depending on your age, you may also be liable for an additional 10% tax on the taxable amount. You may avoid the additional 10% tax on the refund by directly rolling your refund into an IRA or other qualified pension plan.

Refunds paid at retirement

If you do not hold the same elected position for eight years with the same county (which means you are not eligible for the ECO formula), your ECO service will be treated as Regular Tier 2 or SLEP service, as appropriate. See page 14.

If you retire under the Regular Tier 2 Plan, you will receive a refund of your additional ECO contributions (3%) plus interest. You can receive a retirement refund in a lump sum or as an additional retirement annuity.

Refund of surviving spouse contributions

If you do not have an eligible spouse when you retire (married to you for at least one year before you stopped participating in IMRF), IMRF will refund your surviving spouse contributions, with interest.

(If your spouse is not eligible for a surviving spouse pension, but you wish to provide him or her with a pension upon your death, at retirement you can choose the Special Needs Annuity option. See page 16.)

Converting a retirement refund into a monthly annuity

- A retirement refund cannot be converted into a monthly annuity payment unless the monthly payment is at least \$10 a month.
- You cannot convert part of a retirement refund to an annuity.
- The additional monthly annuity will be paid for your lifetime. There is no annual increase, and this annuity is not eligible for the supplemental benefit payment (“13th payment”).
- The original lump sum amount is the guaranteed minimum payout. There is no maximum payout.

Contributions not received as a benefit

Upon your death, if IMRF has not returned all of your member contributions to you as either a refund or as a pension and a surviving spouse pension is not payable, your beneficiary(ies) will receive any balance in your member account (member contributions plus interest paid to the date of death, less any benefits paid).

ECO service credit

Service credit is your total time under IMRF, stated in years and months. ECO service credit is earned on the same basis and under the same conditions as service credit under the Regular and SLEP plans:

- You receive one month of service credit for each month you work in a position qualified for IMRF participation and make an IMRF member contribution.

However, as an elected official, you may be paid irregularly (i.e., quarterly or semi-annually). You will receive service credit for the unpaid months (months in which you do not receive earnings) if you are paid at least once a year and the county has notified IMRF of the unpaid months.

- As an elected official, you may also be eligible to apply for a maximum of 50 months of retroactive service credit for elected official time during which you did not participate in IMRF.

To apply for the retroactive credit, you would complete IMRF Form 6.04, “Application for Retroactive Service Credit.” (Note: you need a minimum of eight years in the **same position** with the **same county** to be eligible for the ECO formula.)

Purchasing retroactive service credit will not make you eligible for the Revised ECO Tier 1 plan.

If your county board adopted the consenting resolution before January 1, 2002, you may purchase more than 50 months of retroactive service credit.

- ECO service credit is eligible to be used under the Reciprocal Act; however, the ECO formula applies only to the ECO service. Reciprocal service cannot be used to vest for an ECO pension.

Final Rate of Earnings

Your final rate of earnings (FRE) is the salary used to calculate the amount of disability, retirement, and death benefits.

- Under the SLEP plan:
Average of the highest total earnings during any 48 consecutive months within the last 10 years of IMRF service divided by 48. Usually, this is the average of the last 48 months of service.
- Under the Regular Tier 2 plan:
Average of the highest total earnings (subject to the wage cap) during any 96 consecutive months within your last 10 years of IMRF service divided by 96. Usually, this is the average of the last 96 months of service.
- Under the Revised ECO Tier 2 plan:
Retirement FRE is the average of the highest total earnings (subject to the wage cap) of 96 consecutive months of ECO service:
 - In the last 10 years of service in a specific office with the same county
or
 - The number of years held in a specific office (minimum eight years) with the same county.

A separate FRE will be calculated for each elected county position you hold for eight or more years.

Wage caps

Under Tier 2, a member's wages are capped at \$106,800 (in 2011). Your employer does not report any wages above the cap, and you do not pay any contributions on wages above the cap. The wage cap is also applied when IMRF calculates your benefits.

The wage cap increases each year by the lesser of 3% or one-half of the increase in the Consumer Price Index (urban) for the preceding September.

Retirement benefits

Your IMRF pension is paid as long as you live. You need eight years of Revised ECO Tier 2 service in the *same elected position with the same county* to qualify for the ECO formula but 10 years of total service to vest for a pension.

If you do not earn eight years of ECO service in the same elected position with the same county, your:

- Service will be treated as Regular Tier 2 or SLEP, as appropriate
- Additional ECO contributions will be refunded with interest when you retire

Vesting for an ECO pension

Participation in ECO does not change vesting requirements. The earliest retirement age is:

- Age 55 with 8 years of Tier 1 service credit (non-SLEP type)
- Age 62 with 10 years of Tier 2 service credit

ECO formula

An ECO pension is calculated as follows (credit is given for partial years after eight years in the same position with the same county):

- 3% of ECO monthly final rate of earnings*
for each of the first eight years of ECO service credit, plus
- 4% of ECO monthly final rate of earnings*
for each of the next four years of ECO service credit, plus
- 5% of ECO monthly final rate of earnings*
for each year of ECO service credit in excess of 12 years,
to a maximum of 80% at 20 years of service.

The 80% maximum ECO pension can also be earned if you have a combination of both ECO service and Regular or SLEP service (which has not been converted to ECO).

*Refer to page 11 for information on wage caps.

Pension reductions

ECO pensions are not subject to reduction.

However, if when you retire any portion of your pension is based upon Regular service, that portion will be subject to the rules governing reduction of a Tier 2 pension:

- If you retire between age 62 and 67 and have less than 30 years of service credit, your pension will be reduced by 1/2% for each month you are under age 67.
- If you retire between age 62 and 67 and have at least 30 but less than 35 years of service credit, your pension will be reduced by the *lesser* of
 - 1/2% for each month you are under age 67
 - or
 - 1/2% for each month of service credit less than 35 years.
- If you retire at age 67 or older or if you have 35 years of service credit, your pension will not be reduced.

The reduction is not applicable if you are eligible for a SLEP pension or to any portion of a pension attributable to ECO service.

Reciprocal Act

You may retire under the Reciprocal Act. However, reciprocal service cannot be used to vest for an ECO pension.

Retiring with non-ECO service

If you have both ECO Tier 2 and Regular Tier 2 or SLEP service credit when you retire:

- The ECO monthly FRE(s) will be used with the ECO service credit
- The “customary” (Regular Tier 2/SLEP) FRE will be used with the Regular and/or SLEP service credit
- The ECO formula is applied first to the ECO service.

Examples

Member A has 16 years of ECO Tier 2 service credit followed by five years of Regular Tier 2 service credit. The pension formula would be applied as follows:

3.0%	x	8 years ECO service	=	24.0% of ECO monthly FRE
4.0%	x	4 years ECO service	=	16.0% of ECO monthly FRE
5.0%	x	4 years ECO service	=	20.0% of ECO monthly FRE
1.66%	x	5 years Regular service	=	8.3% of “customary” FRE

Member B has 20 years of SLEP service earned in an ECO eligible position followed by four years of Regular Tier 2 service. He decides to convert eight years of SLEP service to ECO. ECO is applied first, then SLEP, then Regular Tier 2:

3.0%	x	8 years ECO service	=	24.0% of ECO monthly FRE
2.5%	x	12 years SLEP service	=	30.0% of “customary” FRE
1.66%	x	4 years Regular service	=	6.64% of “customary” FRE

Estimating the amount of your future pension

- Pension estimate chart—turn to page 22.
- Estimate using your current IMRF member information—visit the Member Access area of www.imrf.org (see page 34).
- Formal pension estimate—call 1-800-ASK-IMRF (1-800-275-4673). We recommend you request a formal estimate if you are within five years of retirement.

How to apply for your pension

One month before you plan to retire, submit IMRF Form 5.20, “Application for Retirement Annuity.” IMRF will contact you if you need to submit copies of the documents listed on the application.

IMRF pensions are effective on the first day of the month after you terminate employment. IMRF pays pensions in advance on the first day of every month. For example, your August pension will be paid to you on August 1.

Please note: IMRF can “back date” a pension only 12 months. If you no longer participate in IMRF but have reached the minimum retirement age (see page 12), we recommend you apply for your pension.

Direct Deposit

You will receive your pension payment by Direct Deposit. Direct Deposit ensures the security of your monthly pension by having your payment electronically deposited into your checking, savings, or brokerage account.

Pension payment options

When you retire, your initial pension payments are always based on IMRF's Standard (straight life) plan.

Standard (straight life) payout

Under the Standard payout, you receive the same pension amount every month after you retire for the rest of your life, regardless of how long you live. See page 18 for information on annual increases.

Alternative Payout:

Special Needs (Reversionary) Annuity option

Under the Special Needs (Reversionary) Annuity Option, you choose to have your pension payments “revert” (become payable) to someone else upon your death. This payment option is often selected by members whose spouses are not eligible for a surviving spouse pension (page 28) or who have children or other family members with special needs.

The person you name to receive the pension upon your death is called the “Special Needs Beneficiary.” The younger the age of the person you name, the greater the reduction in your monthly pension.

If you wish to consider the Special Needs Annuity option, submit IMRF Form 5.20R, “Special Needs Annuity Application,” with your retirement application (IMRF Form 5.20).

Submitting Form 5.20R does **not obligate you** to select a Special Needs Annuity. You will receive an “Option Letter” that will provide the payment options available to you under the Special Needs Annuity option.

After reviewing the options available to you, you then advise IMRF at that time if you wish to select a Special Needs Annuity.

Member

Your choices under the Special Needs Annuity option

The percentage of the pension payable to the person you name (“Special Needs Beneficiary”) depends on whether you have a spouse eligible for a surviving spouse pension (see page 28) when you retire:

1. Your spouse is eligible for a surviving spouse pension

Upon your death, your spouse will receive a surviving spouse pension equal to 66-2/3% of your unreduced Standard pension, that is, the Standard pension you would have been receiving had you not chosen a Special Needs Annuity.

The surviving spouse pension is *not* affected by the Special Needs Annuity. The surviving spouse pension will always equal 66-2/3% of your unreduced Standard pension.

You can elect a Special Needs Annuity that will provide your spouse—or some other person—an additional pension equal to 25% of the reduced pension you had been receiving because you chose a Special Needs Annuity. You are not required to name your spouse, you can name any person to receive the Special Needs Annuity.

2. You have no spouse or your spouse is not eligible for a surviving spouse pension

You can elect a Special Needs Annuity that will provide any one person a pension equal to 50%, 75% or 100% of your reduced pension, that is, the reduced pension you had been receiving because you chose a Special Needs Annuity.

This option allows you to provide a lifetime pension for your spouse if he or she is not eligible for a surviving spouse pension (see page 28).

Annual increases for Revised ECO Tier 2

Annual increases begin once you reach age 67 or after you receive one year of pension payments, whichever is later.

Under Tier 2, your pension is increased by the lower of 3% or one-half of the increase in the Consumer Price Index (urban) for the preceding September of the original amount.

If the CPI decreases or is zero, no increase is paid.

Supplemental benefit payment (“13th payment”)

Each July IMRF provides a supplemental benefit payment (“13th payment”) to retired members and surviving spouses.

To receive the supplemental benefit payment in 2012, you must have stopped participating in IMRF on or before June 30, 2011, and you and/or your surviving spouse must have received at least 12 months of IMRF pension payments through June 2012.

The supplemental benefit payment amount will vary, depending on the number of retired members eligible for this payment, as well as the total amount contributed by employers to pay this benefit. Regardless, the payment will be less than your monthly pension payment.

Returning to work after retirement under IMRF Tier 2

If you retire from IMRF under Tier 2 and later return to full-time employment for any unit of government that participates in IMRF or in a reciprocal retirement system, your pension will stop.

Failure to inform IMRF of a return to work that qualifies for IMRF participation could result in significant financial repercussions for you.

If you are considering returning to work for an IMRF employer, you must **contact IMRF to discuss your individual situation** and how your pension, and current financial situation, may be affected.

Do not rely on an employer's knowledge of return-to-work rules to make your decision about returning to work. Contact IMRF first.

Check your IMRF Member Statement of Account

If you return to work, you will receive an IMRF Member Statement of Account the following year.

Your Member Statement will show only the service credit you earned, contributions you made, and earnings your employer(s) reported since you returned to work. The service credit you earned before your retirement will not be shown on your Statement.

You can also check your Member Access account.

IMRF Disability Benefits

If your application for IMRF disability benefits is approved, while you are receiving disability benefits, you:

- Continue to earn Regular or SLEP service credit as if working (at no cost to you).
- Continue to be covered by IMRF death benefit protection.
- Receive monthly disability benefit payments.
- Are assured that your future pension would be based on your full salary (up to the wage cap), not on your reduced disability benefit.

For a complete explanation of your disability benefits, contact IMRF at 1-800-ASK-IMRF (1-800-275-4673) and request a copy of the IMRF Disability Benefits booklet.

If you receive Social Security disability and/or workers' compensation benefits, IMRF pays the difference between those benefits and 50% of your average monthly salary (up to the wage cap). When Social Security and/or workers' compensation exceeds 50% of salary, IMRF pays a minimum monthly benefit of \$10.

Why bother applying for \$10 per month?

Your service credit is protected – Without being on IMRF disability or an IMRF Benefit Protection Leave, you will not earn service credit for any month you are not paid by your employer, even if you are receiving workers' compensation.

Your pension is protected – If you retire with IMRF, IMRF will use your earnings (up to the wage cap) at the time of your disability rather than the lower disability benefit payment to determine your final rate of earnings (FRE). Because your FRE determines your pension, you protect your pension while on IMRF disability.

Your family is protected – Your IMRF death benefit protection (one year's salary [up to the wage cap] plus any balance in your member account less any benefit prepayments) also continues while you receive disability benefits.

Member

Eligibility

The following eligibility requirements apply to both Regular Tier 2, SLEP and ECO disability benefits:

- One year of (any) service credit required
- Pre-existing exclusions apply
- 30-day waiting period before benefits are payable
- Benefit payment is offset by Social Security and workers' compensation

You will be eligible for ECO disability benefits if:

- You elect to receive ECO disability benefits instead of Regular/SLEP disability benefits
- You are unable to reasonably perform the duties of office (and no longer hold the office)
- You are making ECO contributions at the time disability occurred
- Two licensed physicians approved by IMRF certify that you are **permanently** disabled

If you are eligible for disability benefits, you may choose to receive benefits under the Regular/SLEP Plan or under the ECO plan.

Differences between Regular Tier 2/SLEP and ECO disability

- Under the Regular Tier 2/SLEP plans
 - Benefit payable is 50% of last 12 months' salary (up to the wage cap)
 - Degree of disability: unable to perform the duties of any position which might reasonably be assigned to you by your current IMRF employer
 - One physician's certification
- Under the ECO Plan
 - Benefit payable is equal to the pension earned to date
 - Degree of disability: unable to reasonably perform the duties of office
 - Two physicians certify your permanent disability

(continued on page 24)

ECO PENSION ESTIMATE TABLE

How to use this table

1. Find your ECO final monthly rate of earnings in the first column.
2. Find your years of ECO service credit (top line).
3. Your approximate monthly pension at age 62 or older will be the amount shown at the point where your earnings line and service column intersect.

Social Security benefits are in addition to the figures shown below.

	YEARS OF ECO SERVICE CREDIT					
	8	9	10	11	12	13
	PERCENTAGE OF FINAL MONTHLY RATE OF EARNINGS					
	24%	28%	32%	36%	40%	45%
Member	AMOUNT OF MONTHLY PENSION					
300	72	84	96	108	120	135
400	96	112	128	144	160	180
500	120	140	160	180	200	225
600	144	168	192	216	240	270
700	168	196	224	252	280	315
800	192	224	256	288	320	360
900	216	252	288	324	360	405
1000	240	280	320	360	400	450
1100	264	308	352	396	440	495
1200	288	336	384	432	480	540
1300	312	364	416	468	520	585
1400	336	392	448	504	560	630
1500	360	420	480	540	600	675
1600	384	448	512	576	640	720
1700	408	476	544	612	680	765
1800	432	504	576	648	720	810
1900	456	532	608	684	760	855
2000	480	560	640	720	800	900
2100	504	588	672	756	840	945
2200	528	616	704	792	880	990
2300	552	644	736	828	920	1,035
2400	576	672	768	864	960	1,080
2500	600	700	800	900	1,000	1,125
2750	660	770	880	990	1,100	1,238
3000	720	840	960	1,080	1,200	1,350
3250	780	910	1,040	1,170	1,300	1,463
3500	840	980	1,120	1,260	1,400	1,575
4000	960	1,120	1,280	1,440	1,600	1,800

ECO PENSION ESTIMATE TABLE

For example:

15 years of ECO service credit and a final rate of earnings of \$1,500 a month will provide an ECO pension of \$825 per month at age 62 or older.

If you are within five years of retirement, request a formal pension estimate by calling an IMRF Member Services Representative at 1-800-ASK-IMRF (1-800-275-4673).

SERVICE CREDIT		14	15	16	17	18	19	20
ANNUAL MONTHLY SALARY		50%	55%	60%	65%	70%	75%	80%
ECO PENSION (IN DOLLARS)								
150	165	180	195	210	225	240		
200	220	240	260	280	300	320		
250	275	300	325	350	375	400		
300	330	360	390	420	450	480		
350	385	420	455	490	525	560		
400	440	480	520	560	600	640		
450	495	540	585	630	675	720		
500	550	600	650	700	750	800		
550	605	660	715	770	825	880		
600	660	720	780	840	900	960		
650	715	780	845	910	975	1,040		
700	770	840	910	980	1,050	1,120		
750	825	900	975	1,050	1,125	1,200		
800	880	960	1,040	1,120	1,200	1,280		
850	935	1,020	1,105	1,190	1,275	1,360		
900	990	1,080	1,170	1,260	1,350	1,440		
950	1,045	1,140	1,235	1,330	1,425	1,520		
1,000	1,100	1,200	1,300	1,400	1,500	1,600		
1,050	1,155	1,260	1,365	1,470	1,575	1,680		
1,100	1,210	1,320	1,430	1,540	1,650	1,760		
1,150	1,265	1,380	1,495	1,610	1,725	1,840		
1,200	1,320	1,440	1,560	1,680	1,800	1,920		
1,250	1,375	1,500	1,625	1,750	1,875	2,000		
1,375	1,513	1,650	1,788	1,925	2,063	2,200		
1,500	1,650	1,800	1,950	2,100	2,250	2,400		
1,625	1,788	1,950	2,113	2,275	2,438	2,600		
1,750	1,925	2,100	2,275	2,450	2,625	2,800		
2,000	2,200	2,400	2,600	2,800	3,000	3,200		

Member

DISABILITY BENEFITS

Example of disability benefit payable to an ECO member with 16 years of ECO service:

- 50% of salary (up to the wage cap) under the Regular Tier 2/ SLEP plan or
- 60% of salary (up to the wage cap) under the ECO plan

If you are granted ECO disability benefits, those benefits continue until you retire or reach full Social Security retirement age, assuming you continue to be permanently disabled.

While receiving ECO disability benefits, you earn *Regular or SLEP* service credit, but your survivors continue to be protected by ECO death benefits.

How to apply for disability benefits

It is your responsibility to apply for IMRF disability benefits when it is determined that you will be disabled for more than 30 consecutive days. You can obtain Form 5.40, “Member’s Application for Disability Benefits” from www.imrf.org. However, you should not file an application prior to becoming disabled if you are still able to work.

If you receive salary, sick or vacation pay for more than 30 days following the date you become disabled, you should apply for disability benefits if you will be disabled beyond the last day you will be paid.

Disability payments cannot be paid retroactively for more than six months from the date you file the application. You may lose one or more monthly payments if you do not apply promptly for IMRF disability benefits.

You should apply for IMRF disability benefits even if you are collecting workers’ compensation benefits.

IMRF disability benefits are not paid for the first 30 days you are disabled. Temporary disability benefits are effective on the 31st day following the date you became disabled, if you are no longer receiving salary, sick, or vacation pay from your employer.

How long are disability benefits paid?

Temporary disability benefits are paid for a period of time equal to one-half of your IMRF service credit at the time of disability, but not more than 30 months, as long as you remain disabled.

Total and permanent disability benefits are paid after you have exhausted your temporary benefits. If you have fewer than five years of service credit, your claim for total and permanent disability benefits will be subject to a pre-existing condition exclusion. To qualify for total and permanent disability benefits, you must be totally and permanently disabled and unable to engage in any substantial gainful employment.

If you become totally and permanently disabled, assuming you remain disabled you may receive IMRF total and permanent disability benefits until the *later* of the following:

- You reach full Social Security retirement age*
or
- The last day of the month which is five years after you became eligible for IMRF temporary disability benefits.

For complete information on IMRF disability benefits, please refer to the IMRF Disability Benefits Booklet.

**The age for Social Security full retirement benefits is increasing beginning with individuals born in 1938. For details, refer to IMRF's Disability Benefits booklet, the Social Security web site (www.ssa.gov), or call Social Security at 1-800-722-1213.*

ECO death benefits

The lump sum death benefit payable to beneficiaries of active, inactive, or retired Revised ECO Tier 2 members is identical to the lump sum benefit payable under the Regular Tier 2 plan.

The amount paid as a death benefit varies depending on your

- Membership status (active, inactive, or retired) and
- Years of service credit

Members actively participating in Revised ECO Tier 2

If you die while participating in Revised ECO Tier 2 or receiving ECO disability benefits and have

Less than one year of service credit

Death is job related—A lump sum death benefit is paid to your beneficiary(ies) regardless of your years of service credit. The lump sum is equal to one year's salary (up to the wage cap) plus a refund of your member contributions.

*Death is **not** job related*—Your member contributions are refunded to your beneficiary(ies).

More than one year but less than 10 years of total service

credit, a lump sum death benefit [one year's salary (up to the wage cap) plus any balance* in your member account] is paid to your beneficiary(ies).

10 or more years of total service credit

, the lump sum death benefit described above is paid to your beneficiary(ies). An eligible surviving spouse or minor children (in some circumstances) may choose a monthly benefit plus a \$3,000 payment, instead of a lump sum death benefit (one year's earnings [up to the wage cap] plus any balance* in your member account).

**Member contributions plus interest less any benefit prepayments*

Members receiving a Revised ECO Tier 2 pension

A \$3,000 death benefit is payable to your beneficiary(ies).

If your surviving spouse and/or children are eligible, a monthly benefit plus a \$3,000 death benefit is payable.

If they are not eligible for a monthly benefit, they are paid \$3,000, plus any remainder of contributions and interest that were not paid out as a pension.

If you have no spouse or children, your designated beneficiary(ies) is paid \$3,000, plus any remainder of contributions and interest that were not paid out as a pension.

Members not actively participating in Revised ECO Tier 2

If you previously participated in Revised ECO Tier 2 and die while not participating in IMRF, but have contributions on deposit and are:

Less than age 62, any balance* in your member account is paid to your designated beneficiary(ies).

Age 62 or older and:

- Not eligible to receive a pension, any balance* in your member account is paid to your beneficiary(ies).
- Eligible to receive a pension,

If you were married to your spouse for at least one year before the date you stopped participating in IMRF and you named your spouse as your only primary beneficiary, he or she can choose either a surviving spouse pension (see page 28) plus a \$3,000 death benefit, or a \$3,000 death benefit plus a refund of any balance* in your member account.

If you are not married, a refund of any balance* in your member account and the \$3,000 death benefit is paid to your designated beneficiary(ies).

Member

**Member contributions plus interest less any benefit prepayments*

Surviving spouse pension/child's pension

(If your spouse is not eligible for an IMRF surviving spouse pension, you can provide him or her with a survivor's pension by choosing a Special Needs Annuity when you retire. See page 16.)

Eligibility requirements for a Revised ECO Tier 2 surviving spouse pension/child's pension:

- **You**

- Receiving an ECO pension on date of death OR
- Actively participating in ECO on date of death with 10 or more years of any combination of IMRF service credit

If you were not actively participating in ECO or receiving an ECO pension on the date of death, an ECO surviving spouse/child's pension is not payable. Survivor benefits would be calculated under the Regular Tier 2 plan formula (see next page).

- **Your Spouse**

- Be at least age 50
- Married to you on your last day of ECO participation AND
- For at least one year prior to your death

If your spouse is eligible for an ECO surviving spouse pension, he or she can choose benefits payable under the ECO plan or under the Regular Tier 2 plan (see next page).

- **Your Child(ren)**

- Under age 18 and not married
- Eligible children include adopted children if the adoption proceedings began at least one year prior to your death

A child's pension is payable if your spouse is not eligible for a surviving spouse pension, but at the time of your death you have unmarried children under the age of 18. You must also have had 10 or more years of service credit, and have been actively participating in ECO or receiving an ECO pension.

Surviving spouse pension under the Regular Tier 2 plan

A surviving spouse's monthly pension under Tier 2 will equal 66-2/3% of the pension the member was receiving or had earned to date. A child's pension is not payable.

Death of a member actively participating in Revised ECO Tier 2

- At age 50 or older, your spouse will receive a monthly pension equal to 66-2/3% of the ECO pension you had earned (minimum amount payable is 10% of your ECO final rate of earnings up to the wage cap), and 50% of any non-ECO pension you had earned.
- If your spouse is caring for your minor, unmarried children, your spouse will receive (age 50 requirement does not apply):
 - A monthly pension equal to 30% of your ECO final rate of earnings (up to the wage cap)
and
 - 10% of your ECO final rate of earnings for each minor, unmarried child

Maximum total monthly benefit payable to your spouse and children cannot exceed the greater of 66-2/3% of the ECO pension you had earned plus 66-2/3% of any non-ECO pension you had earned or 50% of your ECO final rate of earnings (up to the wage cap).

When a child reaches age 18 or marries, the amount of the surviving spouse pension is recalculated.

When no minor children remain, the monthly benefit payable will be 66-2/3% of the ECO portion of the pension you had earned (minimum amount payable is 10% of your ECO final rate of earnings up to the wage cap), plus 66-2/3% of any non-ECO portion of the pension you had earned.

However, if at that time your spouse is less than age 50, the ECO portion of the benefit payment will stop and will resume when he or she attains age 50.

Death of an ECO member receiving a Revised ECO Tier 2 pension

- At age 50 and older, your spouse will receive a monthly pension equal to 66-2/3% of the ECO pension you had been receiving (minimum amount 10% of ECO final rate of earnings up to the wage cap), and 66-2/3% of any non-ECO portion of the pension you had been receiving.

- If your spouse is caring for your minor, unmarried children, your spouse will receive (regardless of his or her age—the age 50 requirement does not apply) the greater of:
 - A monthly pension equal to 66-2/3% of the Revised ECO Tier 2 pension you had been receiving plus 66-2/3% of any non-ECO pension you had been receiving,
or
 - A monthly pension equal to the lesser of:
 - 30% of your ECO final rate of earnings (up to the wage cap) plus 10% of your ECO final rate of earnings (up to the wage cap) for each minor, unmarried child,
or
 - 50% of your ECO final rate of earnings (up to the wage cap)

Member

The total combined payment to your spouse and/or minor children cannot exceed 75% of the pension you had been receiving.

When a child reaches age 18 or marries, the amount of the surviving spouse pension is recalculated.

When no minor children remain, the monthly benefit payable will be 66-2/3% of the ECO pension you had been receiving (minimum amount payable is 10% of your ECO final rate of earnings up to the wage cap), plus 66-2/3% of any non-ECO pension you had been receiving.

However, if at that time your spouse is less than age 50, the ECO portion of the benefit payment will stop and will resume when he or she attains age 50.

Death of an inactive Revised ECO Tier 2 member

- A monthly surviving spouse pension calculated under the Regular Tier 2 plan formula (66-2/3% of the pension you had earned at the date of death), if you were vested and at least age 62,
or
- A refund of any balance* in your member account
- An ECO child’s pension is not payable.

Child’s Pension

If there is no surviving spouse, if the spouse is not eligible, or if an eligible spouse dies, a child’s pension is payable to your minor (under age 18) unmarried children.

If your child(ren) is eligible for an ECO child’s pension, he or she may be able to choose benefits payable (including lump sum benefits) under the Revised ECO Tier 2 plan or under the Regular Tier 2 plan.

Death of a member actively participating in Revised ECO Tier 2

- A monthly pension for each child equal to 20% of your ECO final rate of earnings (up to the wage cap)
(The maximum total monthly benefit payable to all children cannot exceed 50% of your ECO final rate of earnings [up to the wage cap].)

Death of a member receiving a Revised ECO Tier 2 pension

- A monthly pension for each child equal to 20% of the pension you had been receiving
(The maximum total monthly benefit payable to all children cannot exceed the lesser of 50% of your ECO final rate of earnings [up to the wage cap] or 75% of your pension.)

Death of an inactive Revised ECO Tier 2 member

- A child’s pension is not payable

continued...

**Member contributions plus interest paid to the date of death less any benefit prepayments*

Member

When is a child's pension is discontinued?

A child's pension is discontinued when the child reaches age 18 or is married, whichever occurs first.

When a child's pension is discontinued, the death benefit is recalculated to what it would have been had that child not been a minor at the time of your death.

When all children are age 18 or married, any remaining member contributions and interest (not paid out as pension payments) is paid in a lump sum to your designated beneficiary(ies).

Legally adopted children are eligible for a child's pension. However, stepchildren (not adopted) are not eligible for a child's pension.

If You Divorce

The IMRF retirement pension is considered to be marital property. Therefore, your IMRF benefits may be subject to a division of assets between you and a former spouse.

Qualified Domestic Relations Orders (QDRO)

Qualified Domestic Relations Orders (QDRO) are court orders requiring a retirement plan to split retirement benefits between a member and the member's former spouse. QDROs are provided for under a federal law which governs private sector pension plans. Government plans, such as IMRF, are exempt from that federal law.

Qualified Illinois Domestic Relations Order (QILDRO)

IMRF is governed by the Illinois Pension Code which does not allow IMRF to honor a QDRO. Instead, IMRF may split pensions, refunds, and lump sum death benefits with a Qualified Illinois Domestic Relations Order (QILDRO).

A QILDRO is significantly different from a QDRO. A QILDRO must state a dollar amount or percentage of the benefit to be paid to the member's former spouse. If the QILDRO states a percentage, a second court order (called a QILDRO Calculation Court Order) must be filed with IMRF when the member retires or applies for a refund.

Also, a QILDRO requires IMRF to split the benefit at the time it is actually paid. IMRF cannot pay the former spouse's share of the refund or pension before the member applies for and receives the benefit.

Free information available

If you are divorcing, no later than two to three months before your court date, contact IMRF at 1-800-ASK-IMRF (1-800-275-4673) and ask for the "Divorce Information Packet," and the "Qualified Illinois Domestic Relations Orders–Forms, Instructions and General Information" booklet.

You can also download IMRF's QILDRO booklet from the member publications area of www.imrf.org.

Member Access area of the IMRF website

You can view your IMRF account information and submit changes to that information online by applying for a secure Member Access account.

Visit www.imrf.org and click on the “Member Access” button on the left side navigation bar. Then click on the “Register Today” link. You will be guided through the registration process.

For your security and privacy, you cannot request a User ID and password by phone or email.

Member Statement of Account

Each year, IMRF mails to all IMRF members a Member Statement of Account which provides an account of wages reported, contributions made and service earned for the previous year.

The Statement also includes estimates of your IMRF benefits: retirement, disability, death, and refund.

You can view your IMRF Member Statement via your Member Access account.

Keep your records up-to-date

You should notify IMRF via your secure online Member Access account whenever you change your address. Any changes to your IMRF information must be made via your Member Access account or in writing with your signature.

To ensure the safety and security of your personal and financial information, we cannot take address changes via email or by telephone. Also, we can provide only limited information about your IMRF account by email or telephone.

If you stop participating in IMRF and become an inactive member, a limited number of changes can be made to your IMRF records.

You can add missing service credit only if you are actively participating in IMRF or in a reciprocal retirement system.

If you think your employer did not report you correctly, notify IMRF as soon as possible.

Social Security

As an IMRF member, you also contribute to Social Security; therefore you are entitled to the benefits of both IMRF and Social Security.

Your IMRF retirement benefits do not affect your Social Security benefits, or vice versa, in any way.

At retirement, generally you are entitled to full benefits from both. Your IMRF benefits are never reduced because you receive Social Security benefits. **Your Social Security benefits generally are not reduced because you receive IMRF benefits.** The only exception to this rule is if you earned service credit with IMRF during years that you did not also contribute to Social Security.

Social Security coverage for IMRF members is required by an agreement between the State of Illinois and the Social Security Administration under Section 218 of the Social Security Act. Exceptions are made for a limited number of firefighters and police officers.

You pay Social Security taxes on wages up to the wage base, and your employer pays an equal amount. Your employer remits these taxes to the Internal Revenue Service. Applications for benefits and questions about Social Security should be directed to your Social Security district office or representative or call 1-800-772-1213.

Health Insurance Continuation

IMRF offers two publications that provide details regarding health insurance and IMRF:

- *Health Insurance Continuation through your Employer-Sponsored Plan* — This booklet discusses health insurance continuation through your employer.
- *Health Insurance - IMRF Endorsed Health Plans* — This booklet discusses and provides details about the health insurance plans endorsed by IMRF.

You can obtain a copy of those booklets by calling 1-800-ASK-IMRF or by downloading them from the Publications area of www.imrf.org.

Illinois Public Act 86-1444

Public Act 86-1444 is Illinois legislation covering IMRF retiree health insurance continuation. It requires most, but not all, IMRF employers who offer health insurance to their active employees to offer the same health insurance to disabled employees, retirees, and surviving spouses, at the same premium rate for active employees.

This law is separate from and different than the federal COBRA law, which requires employers to offer insurance continuation to certain employees, former employees, and their dependents.

Under Illinois law

Under the Illinois Insurance Code, an IMRF employer who offers health insurance to its active employees must allow an IMRF member who retires or a member who goes on IMRF disability to continue on the employer's insurance.

An "IMRF member who retires" includes:

- ECO plan members participating as sheriffs who terminate participation (at any age) with at least 20 years of SLEP or ECO credit.
- Revised ECO Tier 2 members who terminate employment and are eligible to receive a pension even if they defer taking the pension.

continued...

- Regular plan members who terminate employment and are eligible to receive a pension even if they defer taking the pension or
- SLEP plan members who terminate participation (at any age) with at least 20 years of SLEP credit.

According to the Illinois Department of Insurance—the agency that provides the official interpretation of the law—the employer may reduce the insurance benefits for insureds who become eligible for Medicare. There may be COBRA eligibility for dependents when the member becomes Medicare eligible.

Paying premiums

The disabled member, retiree, or surviving spouse may be required by the employer to pay both the employer and employee portions of the premiums.

As a general rule, the Illinois Insurance Code continuation provision does not require IMRF employers to pay any portion of the premium for members on continuation. However, it does not override the provisions of a collective bargaining agreement or employer policy requiring the employer to pay insurance premiums for retired or disabled members.

Additional information

Health insurance continuation coverage is a complex subject. You should be aware of the various rules, under both the Illinois Insurance Code and the federal COBRA law, that will apply to you when you retire or if you become disabled.

Check with your employer’s personnel office regarding your COBRA rights and your rights under the Illinois Insurance Code. You will also find additional information at www.imrf.org.

The IMRF member continuation provision is found in the Illinois Insurance Code at section 367j (215 ILCS 5/367j).

If you have questions regarding Health Insurance Continuation, contact your employer’s personnel office.

How IMRF is administered

IMRF is established under statutes adopted by the Illinois General Assembly. It is governed by a Board of eight trustees; seven must be participating members and one trustee must be receiving an IMRF annuity (pension). Four trustees are elected by employers, three are elected by participating members, and one is elected by IMRF annuitants (individuals receiving an IMRF pension). Trustees receive no compensation, only reimbursement for expenses.

The Board appoints an Executive Director who is responsible for all administrative functions and supervision of staff.

The Board also appoints medical and investment consultants, an actuary, and an independent auditor.

How IMRF operates

The IMRF ECO plan currently has a membership of approximately 500 active participants in municipalities across Illinois. However, IMRF is still a local program. Each ECO employer builds up a savings account to provide pensions for its ECO members.

Your employer has appointed one of its employees to serve as your IMRF Authorized Agent. Your IMRF Authorized Agent handles the operation of the plan locally.

Questions

IMRF Member Services Representatives

If you have a question about IMRF, you can call an IMRF Member Services Representative at 1-800-ASK-IMRF (1-800-275-4673). Member Services Representatives are available Monday through Friday, from 7:30 a.m. to 5:30 p.m. Spanish speaking Member Services Representatives are also available.

Please have your Social Security number available when you call.

You can also visit IMRF online at www.imrf.org.

13th payment

See “Supplemental Benefit Payment.”

Active member

See “participating member.”

Annuitant

A person receiving an IMRF pension or surviving spouse pension.

Annuity

See “pension.”

Authorized Agent

The employee designated by your employer (unit of government) to administer IMRF locally.

Beneficiaries

The individual(s) or organization(s) you choose to receive your IMRF death benefits.

Benefit Tier

See “Tier.”

Board of Trustees

A group of eight persons organized to administer the Illinois Municipal Retirement Fund; seven must be participating members and one trustee must be receiving an IMRF annuity (pension). Four trustees are elected by employers, three are elected by participating members, and one is elected by IMRF annuitants (retirees). IMRF is the only public pension system in Illinois whose entire board is elected. Board members serve without compensation.

Concurrent service

Concurrent service occurs if you are reported by more than one employer under the same plan for the same month. However, by law, you are credited with only one month of service, but your salaries are combined for that month. If you are reported under different plans, the service is treated as one month in two plans and your salaries are not combined.

Contribution

Member contributions: the percentage of an IMRF member’s gross salary (up to the wage cap) withheld by the IMRF employer and submitted to IMRF each month. IMRF holds the member contributions until the member requests a refund or qualifies to receive a pension or when the member’s beneficiaries receive a death benefit. The percentage withheld is determined by Illinois law and is dependent on the member’s plan: Regular Plan 4.50%, Sheriff’s Law Enforcement Plan and the Elected County Official Plan 7.50%.

Covered position

See “qualified position.”

Defined Benefit (DB) Plan

Defined benefit plans (like IMRF) pay a monthly pension based upon your salary and length of service. As its name implies, your retirement benefits are “defined” in advance so you know what you will receive when you retire. Your benefit is determined by a calculation that uses your age, years of service, and salary history. Your pension continues to improve monthly because it is tied to your length of service. Your benefit is guaranteed and is paid for as long as you live.

Defined Contribution (DC) Plan

Under a defined contribution plan, a participant’s retirement income is based upon how much is contributed and on the performance of investment choices the participant selected.

Direct Deposit

Retiring members receive their pension payments via Direct Deposit.

IMRF electronically deposits a pension payment or a total and permanent disability benefit into the member’s bank or other financial institution.

Disability benefits

While receiving IMRF temporary or total and permanent disability benefits, you earn service credit and have the same death benefit protection as if you were working.

EFTS

Electronic Funds Transfer System. See “Direct Deposit.”

Eligible spouse

See “qualifying spouse.”

Field Representatives

IMRF Field Representatives work with employers and members.

Final rate of earnings

Final rate of earnings (FRE) is the salary used to calculate the amount of retirement benefits. (A separate FRE is calculated for disability and death benefits.) Under Tier 2: highest total earnings (up to the wage cap) during any 96 consecutive months within the member’s last 10 years of IMRF service divided by 96. Usually, the average of the last 96 months of service.

Formula

The ECO plan formula is 3% of ECO monthly final rate of earnings (FRE) (up to the wage cap) for each of the first eight years of ECO service credit, plus 4% of ECO monthly FRE for each of the next four years of ECO

service credit, plus 5% of ECO monthly FRE for each year of ECO service credit in excess of 12 years, to a maximum of 80% at 20 years of service.

Hourly standard

The hourly standard (either 600 or 1,000 hours a year) determines whether a position qualifies for IMRF participation.

Member contributions

Elected County Official members contribute 7.50% of salary (up to the wage cap for Tier 2 members). Regular plan members contribute 4.50% of salary (up to the wage cap for Tier 2 members) toward a future Regular pension. Sheriff's Law Enforcement Plan members contribute 7.50%.

Member Statement of Account

Mailed to all members each year and available via a member's online Member Access account. This statement provides an annual report of your salary, member contributions, service credit earned, and an estimate of IMRF benefit payments.

Participating member

A member currently working in an IMRF qualified position and making contributions to IMRF. If you are on an IMRF Benefit Protection Leave of Absence or receiving IMRF disability benefits, you are considered a participating member.

Pension

A monthly IMRF pension is paid as long as the member lives. Under Tier 2, you need at least 10 years of service credit and must be at least age 62 to apply for an IMRF pension. To qualify for the ECO formula, you need eight years of ECO service in the *same elected position with the same county*.

Pension credits

See "service credit."

Pre-existing condition

IMRF disability benefits may not be payable if the condition that caused the disability is pre-existing—you had the condition which resulted in your current disability when you began participating in IMRF. If you have less than five years of service credit when you became disabled, you are subject to the pre-existing exclusion for total and permanent disability benefits.

Qualified position

Also known as covered position. An IMRF qualified position is one which will equal or exceed an employer's annual hourly standard. An employee is required to participate in IMRF if he or she works in an IMRF qualified position. (Exception: Elected officials and city hospital employees have the option of participating.)

Qualifying spouse

To receive a surviving spouse pension, the surviving spouse must have been married to the IMRF member for at least one year prior to the member's last date of participation in IMRF (or in a reciprocal system, if appropriate), and the member must have a valid beneficiary form on file with IMRF naming the spouse as the only primary beneficiary.

Reciprocal Act/System, Reciprocity

Reciprocity is an agreement between IMRF and 12 other Illinois public pension funds that allows a member's service credit to be considered together to determine eligibility for and the amount of retirement benefits. Reciprocal service cannot be used in the calculation of a SLEP or ECO pension.

Reinstatement

If you take a separation refund, you may be able to repay IMRF (with interest) and reinstate those years of service credit.

Reversionary annuity

See "Special Needs annuity."

Seasonal employees

Seasonal employees of school districts and special education cooperatives automatically receive 12 months of service credit if they are employed for the entire year. Other seasonal employees can receive 12 months of service credit if they are employed the entire year and the employer indicates the member is seasonal when the member is enrolled.

Separation refund

You can receive a separation refund—a return of all your member contributions without interest—if you end your employment with your IMRF employer. If you take a refund, you forfeit—give up—all of your service credit and all IMRF benefits.

Service credit

Service credit, service, or pension credits. Your total time as an IMRF member. Service is credited monthly while you are working, on an IMRF Benefit Protection Leave, or receiving IMRF disability benefits. Your pension continues to improve monthly because it is tied to your length of service.

SLEP

IMRF's Sheriff's Law Enforcement Personnel plan is available to county sheriffs, deputy sheriffs, forest preserve rangers, airport police, and certain police chiefs.

Special Needs annuity

Also known as the Reversionary annuity. Under the Special Needs annuity option, you choose to receive a reduced pension and, upon your death, your pension payments “revert” (become payable) to someone else.

Standard payout

Also known as a straight life payout. Under the Standard payout, a member receives the same pension amount every month after he or she retires for the rest of his or her life, regardless of how long he or she lives.

Supplemental benefit payment

IMRF “13th payment.” An additional benefit payment that is paid each July to eligible IMRF retirees and surviving spouses.

Surviving spouse contributions

All IMRF members are required, by law, to contribute toward a surviving spouse pension. If when you retire you do not have an eligible spouse (married to you for at least one year before you stopped participating in IMRF), your surviving spouse contributions will be refunded, with interest.

Surviving spouse pension

Under Tier 2, 66-2/3% of the member’s monthly pension.

Tier

“Tier” specifies the type of benefits for which a member may be eligible. Tier status is determined by a member’s first date of participation. If you first participated in IMRF (or in a reciprocal system, with the exception of the Judges’ Retirement System and the General Assembly Retirement System) on or after January 1, 2011, you participate in Tier 2. Members who first participated before that date, participate in Tier 1.

Vested

You need eight years of ECO service in the same elected position with the same county to qualify for the ECO formula but 10 years of total service to vest for a pension.

Wage cap

Under Tier 2, a member’s wages are capped at \$106,800 (in 2011). Your employer does not report any wages above the cap, and you do not pay any contributions on wages above the cap. The wage cap is also applied when IMRF calculates your benefits. The wage cap increases each year by the lesser of 3% or one-half of the increase in the Consumer Price Index (urban) for the preceding September.



Have a question about your IMRF benefits?

Ask IMRF!

IMRF Member Services

Representatives

1-800-ASK-IMRF

(1-800-275-4673)

Tenemos representantes que hablan español.

Monday through Friday 7:30 a.m. to 5:30 p.m.

Please have your Social Security number available when you call.

IMRF Vision

To provide the highest quality retirement services to our members, their beneficiaries, and employers.

IMRF Mission Statement

To efficiently and impartially develop, implement, and administer programs that provide income protection to members and their beneficiaries on behalf of participating employers in a prudent manner.

Accuracy

Performing our duties in an accurate and timely manner ensures our members receive the service and benefits to which they are entitled.

Respect

Recognizing the worth, uniqueness and importance of ourselves, our coworkers, and our membership builds collaboration and cooperation.

Honesty

Acting in a truthful, ethical, and professional manner builds confidence with our membership and the public.

Accountability

Accepting responsibility for our actions cultivates the trust of our coworkers, members, and employers.

Empathy

Being aware of the feelings of others and how our actions affect them enables us to be responsive to the needs of our membership.

Courage

Recognizing the need for innovation and being willing to change strengthens our ability to meet future challenges and opportunities.

Illinois Municipal Retirement Fund

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